



June 14, 2011

**Harris County
Sports & Convention
Corporation**

One Reliant Park
Houston, TX
77054

832.667.1841
Fax 832.667.1410

The Honorable Ed Emmett and
Commissioners Eversole, Lee, Morman and Radack
Harris County Administration Building
1001 Preston, 9th Floor
Houston, Texas 77002

Dear Members of the Court:

The Harris County Sports & Convention Corporation (HCSCC) would like to engage the CSL/Populous group to perform a feasibility study of the proposed Reliant Park Master Plan. The study will provide the basis for our recommendations on the future of the Reliant Astrodome, and the possible replacement of the Reliant Arena. This study will cost approximately \$500,000, and we are asking the county to fund \$50,000 of this amount. The balance will come from the Greater Houston Visitors and Convention Bureau, the Houston Livestock Show and Rodeo, the Houston Texans, the Harris County/ Houston Sports Authority and Aramark Corporation. If this request is approved, CSL/Populous will begin its work in July of this year with an anticipated completion date in December of 2011.

Please do not hesitate to contact me if you have any questions or concerns at 832.667-1419.

Sincerely,

A handwritten signature in black ink, appearing to read "Willie P. Loston".

Willie P. Loston
Executive Director

11 JUN 15 AM 10:20
HARRIS COUNTY
MANAGEMENT SERVICES

June 14, 2011

**Harris County
Sports & Convention
Corporation**

One Reliant Park
Houston, TX
77054

832.667.1841
Fax 832.667.1410

The Honorable Ed Emmett and
Commissioners Eversole, Lee, Morman and Radack
Administration Building
1001 Preston, 9th Floor
Houston, Texas 77002

**Re. Harris County Sports & Convention Corporation
Fiscal Year 2011-2012
Capital Improvement Program**

11 JUN 15 AM 10:21
HARRIS COUNTY
MANAGEMENT SERVICES

Dear Members of the Court:

Transmitted herewith is a copy of the report which describes the Corporation's fiscal Year 2011-2012 Capital Improvement Program.

Please call me at 832.667.1419 if you have any questions.

Sincerely,



Willie P. Loston

Enclosure

cc: Edgar Colon – HCSCC Chairman
HCSCC Board Members
✓ Richard Raycraft – Harris County Direc., Management Services/Budget Office
Barbara Schott – Harris County Auditor
Vince Ryan – Harris County Attorney
Arthur L. Storey – Harris County Office of Public Infrastructure
Kevin Hoffman – Harris County Facilities & Property Management



CAPITAL IMPROVEMENT PROGRAM FUNDING REQUEST

FISCAL YEAR 2011-2012



PRESENTED TO:
HARRIS COUNTY COMMISSIONERS COURT



ED EMMETT , HARRIS COUNTY JUDGE
EL FRANCO LEE, COMMISSIONER, PRECINCT 1
JACK MORMAN, COMMISSIONER, PRECINCT 2
STEVE RADACK, COMMISSIONER, PRECINCT 3
JERRY EVERSOLE , COMMISSIONER, PRECINCT 4

JUNE 14, 2011

TABLE OF CONTENTS

	<u>TAB</u>
EXECUTIVE SUMMARY	A
RELIANT PARK OPERATIONS OVERVIEW	B
FINANCIAL OVERVIEW	C
FISCAL YEAR 2011-2012 REQUEST NARRATIVE	D
CAPITAL REPAIR & REPLACEMENT FUNDING REQUEST	E
UTILITY MANAGEMENT UPDATE	F
RELIANT PARK SITE MAP	G

Executive Summary

During the past 10 years Reliant Park has hosted numerous sports and entertainment events as well as national and international exhibitions. Much of our success must be credited to SMG, Reliant Park's operations, maintenance and marketing group. SMG has provided significant contributions to the development of Reliant Park and to this 2011-2012 CIP/R&R Report.

Our 2011/2012 funding request for basic complex operations is \$18,460,049. The projects and purchases detailing the request are presented under Tab E of this report. We would like to work with the County Budget Department to develop a plan to fund this request.

In addition to the request for basic complex operations, there are two specific funding requests that we consider high priority. First, we would like to engage the CSL/Populous group to perform a feasibility study of the proposed Reliant Park Master Plan. The study will provide the basis for our recommendations on the future of the Reliant Astrodome, and the possible replacement of the Reliant Arena. This study will cost approximately \$500,000, and we are asking the county to fund \$50,000 of this amount. The balance will come from the Greater Houston Visitors and Convention Bureau, the Houston Livestock Show and Rodeo, the Houston Texans, the Harris County/ Houston Sports Authority and Aramark Corporation. If this request is approved, CSL/Populous will begin its work in July of this year with an anticipated completion date in December of 2011.

The second specific request is for funding to provide a concrete pad in our east parking lot for exhibition space for the Offshore Technology Conference (OTC). The project is estimated to cost \$1,500,000 dollars, and OTC will pay one half. Therefore, we are asking the county to fund the other half, or \$750,000. We would like to complete this project for use during the May, 2012 conference.

Finally, we are pleased to report that the repairs to damages caused to Reliant Park by Hurricane Ike have been completed. We are working with Zurich, our insurer, to finalize our settlement negotiations.

Reliant Park Fiscal Year 2010-2011 Review of Operations

For the fiscal year ending February 2011 the total events held at Reliant Park increased .2% from the previous fiscal year. There were 392 events held, which resulted in an increase in visitor attendance of 385,956 from fiscal year ending February 2010. Gross operating revenues increased 18.3% to \$38,830,164, and operating expenses also increased 14.3% to \$38,697,823. As a result, net operating income (before utility costs) increased from \$(1,041,195) in fiscal year ending February 2010, to \$132,341 this fiscal year.

**Numbers reflected from 2011 audited financials.*

Event Activity and Attendance
Fiscal Year 2009-2010 versus 2010-2011

	FY 2009-2010		FY 2010-2011	
	<u>Events</u>	<u>Attendance</u>	<u>Events</u>	<u>Attendance</u>
Rodeo	23	1,216,475	23	1,385,318
Entertainment	31	358,708	12	73,474
Texans Events	10	613,570	10	626,803
Amateur Sports	8	53,430	17	300,536
Family Show	13	115,523	29	257,171
Motor Sports	4	148,314	5	211,036
Convention	7	67,395	4	72,923
Consumer Show	95	369,230	100	403,920
Trade Show	16	22,938	11	12,462
Meetings/Seminar	47	34,449	35	16,626
Food & Beverage	16	10,249	13	16,416
Comm/Religious	61	226,779	64	257,226
Other Events	60	198,397	69	187,502
TOTAL	391	3,435,457	392	3,821,413

*Ringling Brothers Barnum & Bailey Circus moved from Entertainment to Family Show.

Financial Overview of Previously Approved Major Capital Improvement Projects

The establishment of project budgets and reliance on a purchase order system for each major category of projects has accomplished budget control of capital projects at Reliant Park. HCSCC's Board of Directors approves all invoices submitted for funding from Harris County Capital Project funds and approved invoices are recapped by project and forwarded to Harris County's Office of Financial Services for review and funding.

Reliant Park's facilities improvements and repairs are recorded on Harris County's fixed asset ledger and Harris County retains ultimate ownership of all equipment purchased by HCSCC with Harris County funding. Additionally, all fixed assets at Reliant Park are owned by Harris County.

Capital Repair & Replacement Funding Request Narrative

As reported before, HCSCC identified annual R&R items to include, but not limited to facilities, parking lots, fixtures, furnishings, equipment and other miscellaneous items as necessary and required.

HCSCC developed a 30-year R&R funding plan including an annual R&R project schedule. These schedules are based on overall Reliant Park R&R requirements exclusive of Reliant Stadium. The funding plan includes the annual funding from Harris County, an annual 3% inflation factor, interest earnings, routine annual R&R costs, as well as limited major R&R costs.

In past requests, the schedule assumed providing R&R for the Reliant Astrodome in its current condition for 5-years and the Reliant Arena for 10-years. However, the schedules do not take into account unforeseen major structural replacements or repairs that may occur with the facilities and/or parking lots. As written earlier in this report, there were numerous repairs that were required for the Reliant Astrodome early this year to meet building code requirements of the City of Houston Code Enforcement Division and Fire Marshall. HCSCC has included these repair costs as part of this funding request.

Total: \$2,580,200

Bathroom upgrades (Cost: \$10,000)

Improvement of the Center bathrooms Pictures on the walls, new paper towel dispensers to eliminate water on the floors.

Control Center Monitor Upgrade, Includes DVR Upgrade (Cost: \$25,000)

Replace all Security Control Room monitors with flat screen monitors and modify rack mounting to fit new monitors. Current monitors are failing and have reached their normal life expectancy.

Event Rigging Points, Under Low Ceiling (Cost: \$150,000)

Install rigging points under the low ceiling in Reliant Center. Events frequently require rigging in the area, which cannot be accommodated without damaging the fireproofing on the structural members. This project will install rigging points at key locations to allow rigging without damaging the fireproofing.

Exhibit Hall Lighting Retrofit (Cost: \$1,700,000)

This project involves removing outdated and inefficient fixtures and bulbs in the exhibit hall areas and loading dock and replacing them with new energy efficient fixtures and bulbs. This project is estimated to save approximately \$400,000 per year after payback of the materials and labor. (Based on fixture and installation cost 1700 fixtures at \$1,000 each installed. This cost does not include any grants or federal funding.)

Interior Surveillance Cameras for Exhibit Halls (Cost: \$235,000)

Provide additional interior surveillance cameras for the Exhibit Hall areas to upgrade safety and security in these areas. Thirty-two cameras will be installed with two recording servers and the system will be tied into Center and Stadium Command Centers.

Lobby Level - Seating & Tables (Cost: \$63,900)

Install additional seating to accommodate park visitors for events. An increase in seating capacity will reduce operating expenses by reducing the cost to lease this equipment.

Mezzanine Level - Seating (Cost: \$97,800)

Install seating to accommodate park visitors for events. An increase in seating capacity will reduce operating expenses by reducing lease costs.

Reliant Center

Modify Exhibit Hall and Meeting Room Doors to Eliminate Removable Mullions (Cost: \$72,000)

Currently removable mullions for meeting rooms and exhibit halls are frequently damaged during move-in and move-out of events. These mullions need to be replaced with new door hardware installed that does not require mullions. This will modify all meeting room double doors and one set of doors for each hall.

Office Furniture for Human Resources (Cost: \$30,000)

Furniture for renovated department office space.

Paint Reliant Center Meeting Room Airwall Alcoves & Columns (Cost: \$11,000)

Paint the airwall alcove "pockets" and interior columns throughout the 200 – 700 Series Meeting Rooms in the Mezzanine Level to accent the meeting rooms and add color to the interior. The color would match the new color that is used for the exterior hallway meeting room and utility area (restrooms, water fountains, phone banks, elevators, etc.) alcoves.

Reliant Center Box Office window LED Matrix Boards (Cost: \$15,000)

Reliant Center Box Office window LED matrix boards are needed to communicate to guests in line event information such as name, ticket pricing and information (will call, ticket sales, check-in, etc.). Current methods are to tape paper signs that get damaged or damage walls and look unprofessional.

Remove Phone Enclosures and Install Laptop Stations (Cost: \$40,500)

Retrofit the current payphone enclosures, which are no longer used on the ground level of Reliant Center, to laptop stations. The installation of laptop stations will provide a convenient place for visitors to use their computers and eliminate the unsightly empty phone enclosures.

Replace Doors at East Dock (Cost: \$13,000)

Doors need to be replaced due to heavy usage and repeated damage over the years. New installation will include door and jamb protection to help minimize future damage.

Replace/upgrade Reliant Center Security Workstations which monitor the Access control and Camera Viewing Systems (Cost: \$4,000)

PC supporting the systems have met their life expectancy.

Reliant Center

Tie Together East and West Air Compressors (Cost: \$4,000)

Provide a cross connection between the compressed air distribution system used to supply exhibitors during events. This connection would allow for continued use of the full system in the event one of the compressors failed.

Upgrade all Signage Lighting to LED (Cost: \$75,000)

Replace all cold cathode lights in soffits and large backlit Hall Signage to LED. The cold cathodes are outdated and are being discontinued by many manufacturers leaving spare parts very expensive and hard to find. Upgrade all the lights to LED results in a longer life span than the existing, as well as, energy savings.

"Welcome Center" build out at west glass doors (Cost: \$3,000)

"Welcome Center" at west glass doors is needed for guest/visitor check-in into the facility on a daily basis in order to provide overall security to facility and provide information and direction.

Wheelchair Evacuation Chairs (Cost: \$15,000)

Purchase wheelchair evacuation chairs to be placed in each stairwell of Reliant Center for guests/employees in wheelchairs to use in case of emergency.

Wireless Microphones (Cost: \$16,000)

Additional Wireless microphones for event production. Current inventory does not allow facility to efficiently provide the service needed and expected without renting additional needed wireless microphones for events.

Total: \$126,981

Additional Doors to Service Level Air Handler Rooms (Cost: \$25,000)

To safely access the back bearing during maintenance and replacement.

Install Cameras and Electronic Access Controls in Reliant Stadium, Level 8 Mechanical Areas (North & South) (Cost: \$67,305)

Increase security for Reliant Stadium's high risk/high vulnerability air intake and mechanical areas.

Install Cameras in Reliant Stadium, Level 7 Concourses (North & South) (Cost: \$3,676)

Add camera surveillance to general concourse and private club entrances.

Install Pedestrian Walkway at the Stadium North Dock Gate (Cost: \$3,000)

Install walkway for pedestrian at the Stadium North Dock which will reduce the number of cycles the rolling gate opens and closes. Wear and tear on the gate will be reduced, thus lowering repair costs for gate installation; sidewalk installation \$1,000.

Replace/Upgrade Reliant Stadium Security Workstations which Monitor the Access Control and Camera Viewing Systems (Cost: \$8,000)

PCs supporting the access control system and camera monitoring systems have met their life expectancy. Upgraded PCs are needed for improved viewing of new camera technology.

Return Air Fan Modification on Level 8 (Cost: \$20,000)

Extending the enclosure on the return air fans to safely work on the units.

Total: \$714,075

**Augment Existing Sound with Speaker Cabinets in Eight Locations
(Cost: \$32,000)**

Eight areas in the Arena Proper have been identified as having deficient coverage of house paging. The additional speakers will eliminate these dead zones.

Bathroom upgrades (Cost: \$12,000)

Improvement of the Arena bathrooms is needed - baby changing stations and pictures on the walls. Multiple client and guest complaints have been submitted.

Construct Ticket Windows at West Entry (Cost: \$84,000)

Ticket Windows are needed on the West side to properly service existing and future events. There are currently no permanent tickets windows on the West side.

House Lighting Replacement to provide "instant" on/off lighting capabilities and provide emergency lighting (Cost: \$44,275)

Replace the current house lighting with new energy efficient fixtures and lamps. This will improve safety for park visitors and employees by providing instant house lighting during events.

Install Aisle Lighting Using Overhead Lighting (Cost: \$45,800)

Aisle lighting is needed to insure patron safety while ascending or descending the bleachers by illuminating the stair aisles during event blackouts.

Log Cabin Ticket Booth Permanent Power (Cost: \$10,000)

Permanently install feeder and transformer that feed the log cabins at the main entrance.

Repair Suspended Ceiling in East Lobby Area (Cost: \$120,000)

The East Lobby ceiling grates are no longer being produced and many of these grates have been damaged beyond repair. This work will provide an improved lobby appearance for existing and futures events.

Reliant Arena

Replace Amplifiers Throughout Arena (Cost: \$30,000)

Amplifiers for all but the Arena Proper are approximately 15-years old and periodically fail causing down time for certain areas of the system. Replacements include related patch bays for signal routing to the amplifiers, which will replace the original equipment installed in the 1970's. The age of these patch bays are the cause for intermittence and inconsistent patching creating audio issues during events on a more frequent basis.

Replace Reliant Arena "Proper" Airwall (Cost: \$150,000)

Airwalls need to be replaced to properly accommodate events.

Replace Temporary Intercom Cable with Permanent Cable in Six Locations (Cost: \$12,000)

These six locations are most commonly used for spotlights for concerts and/or live events. Current cable runs are temporary and prone to problems since they are not in a protected environment. Interruption of service causes delays in the show presentation and dissatisfaction to our clients and tenants.

Replace Temporary Show Power with Permanent Power (Cost: \$50,000)

Replace all temporary show power wiring located throughout the Arena with permanent wiring as identified and requested by the City of Houston Fire Marshal.

Signage and Graphics (Cost: \$50,000)

Produce/install way finding and graphics throughout Arena.

West Entry Access Control Bollards (Cost: \$24,000)

Installation of 48 removable pyramid bollards to restrict vehicle access to West entry pedestrian path and provide patron safety.

West Entry Asphalt Paving Resurfacing (Cost: \$50,000)

Reliant Arena's west entrance asphalt continues to fail, resulting in potholes and tripping hazards. Construction advisors recommend removal of the existing asphalt surface, repairing the sub-base and installation of a new asphalt overlay.

Total: \$517,188

Code Required Improvements Requested by City of Houston Code Enforcement Division for Certificate of Occupancy Permit (Estimated Cost: \$2,000,000 to \$30,000,000) (Cost: \$0)

The City of Houston Code Enforcement Division and Fire Marshal spent several days evaluating Reliant Astrodome just prior to the start of the 2008 Houston Livestock Show and Rodeo events. They identified numerous code violations that they believe Reliant Park must address to receive a permanent Certificate of Occupancy to hold future events and/or provide office space in the building. This list continues to be evaluated by Engineers and Construction experts as needed to determine the full extent of the cost and code requirements.

Request Reimbursement of Fire Marshal and City of Houston Code Enforcement Requested Improvements Required to Obtain Temporary Certificate of Occupancy Prior to 2008 HLS&R (Cost: \$517,188)

Total: \$858,000

Arc Flash Study for 4160v Switch Gear (Cost: \$25,000)

This study is required by Code and to identify and provide employees with a clear understanding of the appropriate safety precautions to take when working with high-voltage electrical equipment.

Boiler Catwalks (Cost: \$18,000)

This is an OSHA issue that catwalks are needed to safely work on boiler related equipment located above the boilers.

Install Manometers for Flow Verification on Chillers (Cost: \$30,000)

Mercury manometers to verify water flow through the chillers.

Install Water Softeners on Cooling Tower Makeup (Cost: \$150,000)

To change water treatment from sulfuric acid to water softeners. Water softeners use a less corrosive chemical treatment (sodium chloride instead of sulfuric acid). The softeners create a safer working environment by removing the need for sulfuric acid, they will also reduce the wear on the piping and equipment. The reduction in water usage will not only provide savings but is also environmentally friendly.

Power Factor Correction for Chillers #1 thru #10 (Cost: \$80,000)

All of the Power Factor Correcting Capacitors were removed from the starter cabinets following two failures in the motor starter cabinets for the chillers in the Central Plant in which the Power Factor Correction capacitors were suspected of being the most probable cause. In order to (1) maintain the operating efficiency of the chillers and (2) provide a safe working environment, new external power factor correcting capacitors need to be installed.

Re-commissioning of Central Plant (Cost: \$275,000)

Re-commissioning of Central Plant is needed to ensure proper calibration, coordination and operation on all components and equipment of Central Plant.

Re-Tube Central Plant Boilers (Cost: \$280,000)

Labor, material and equipment to re-tube the three (3) 1200 HP Johnstone Boilers in Central Plant. Replace all the tubes in the boilers due to age. The life of the boiler tubes is approximately 10 years and to prevent damage and leaks causing the boilers to be off line for long periods of time the tubes should be changed.

Plant II

Total: \$141,500

Automatic Control Upgrades (Cost: \$34,000)

Plant 2 automatic controls were previously fed from Plant 1 in the Reliant Astrodome control center. The connection to Plant 1 was interrupted following the demolition of the old Astrohall. Since that time, Plant 2 has operated on manual controls. In order to increase operating and energy efficiencies, automatic controls need to be installed in Plant 2 and tied to the central Building Automation System.

CHW/HW Piping Insulation (Cost: \$100,000)

Pipe insulation is seriously deteriorated and needs to be replaced.

Plant 2 Fence Masking (Cost: \$7,500)

Install slatted material into the Plant 2 fence to replace the currently used wind screen that continues to be a maintenance issue.

Complex

Total: \$1,074,000

BAS Multi-view Setup (Cost: \$10,000)

Install additional monitors to watch several areas at one time.

Incident Reporting/Writing Software/Program (Cost: \$32,000)

Incident Reporting and Risk Management system for daily log reporting, incident management and subject profiling with risk analysis and assessment tools. Software would be used by all incident reporting departments on property (Inside Police, Outside Police, 24-Hour, and CSC). Software is capable of inputting "Best Practices" or procedures in response to an incident as well as visitor management (streamlining security systems). Cost includes ten (10) software licenses, training, and first year of service support.

Pipe & Drape (Cost: \$7,000)

Replace damaged equipment to allow is to reduce rental costs.

Purchase Additional Chairs (Cost: \$200,000)

To replace chairs currently on loan from another venue, that will be returned in Spring 2011.

Purchase fitted table linens to be used for high priority clients. (Cost: \$5,000)

Fitted linens can be purchased for \$25 per linen and could be used to improve the appearance of certain meeting room and Club level set ups and could be used on a limited basis in situations where (a high profile room during ITC, Nutcracker, etc.).

Purchase/Replace Roll & Fold Risers (Cost: \$60,000)

To replace outdated and unrepairable models and replenish the amount of operating equipment back to 70 units (by purchasing 40 @ \$1400 plus freight).

Re-keying Reliant Park door cores (Cost: \$250,000)

Rekeying of cores for all areas at Reliant Park; cost includes software.

Storage Containers for Infrequently Used Equipment (Cost: \$10,000)

Purchase 4 40' x 20' containers to store ADA material not used as frequently/no longer used, in order to free up warehouse storage space for equipment used more regularly.

Complex

Temporary/Permanent Office Build-out for Parking Department (Cost: \$500,000)

Provide a temporary office space for Parking Department and shipping/receiving. Parking employees were previously located in the Astrodome, which is not open to the public or employees.

Total: \$8,544,116

Additional Pathways and Sidewalks (Cost: \$70,000)

Primarily around Reliant Center pathways have been worn into the landscaping. Permanent pathways need to be installed to provide safe access to facilities.

Blue Parking Lot Reseal (Cost: \$176,000)

Seal coating and crack repair to extend the lifespan of the asphalt surface and avoid more expensive resurfacing. Typical maintenance schedule for this type of work is every five years and every tenth year to re-mill asphalt.

Canopy Tents 10' x 20' (Cost: \$7,500)

To be used by in-house Operations/Parking staff and provide break areas when working outside.

Concrete Bollards (Cost: \$21,000)

Purchase 60 pyramid bollards for use throughout the property to restrict vehicle access at pedestrian points. Approximately 50% of current inventory has some level of damage and replacement is needed.

Concrete Caulking Repair and Replacement (Cost: \$263,000)

Approximately 60% of the pathways around Reliant Park have damaged caulking or joint failure. The primary causes of failure are age, wear, cleaning and pressure washing operations and/or settlement or movement in the sealed surfaces.

Concrete for OTC in Orange Lot (Cost: \$1,350,000)

Purchase concrete slabs on grade in Orange Lot for OTC outdoor exhibits.

Gate 7 Drive Lane Modifications (Cost: \$95,000)

The Houston Texans commissioned a study earlier this year to identify various infrastructure improvements that could be undertaken to improve ingress and egress for events at Reliant Park. This study recommended the modification of Gate 7 from a right turn only gate to a right turn in/right turn out gate to improve access to the Blue Parking lot from the 610 Feeder.

Gate 8 Entrance Modifications (Cost: \$275,000)

Price includes a concrete drive lane and overhaul of the Toll Plaza. If asphalt is chosen for the drive lane, price drops to \$200,000.

Site

Install Fencing Around Site Transformers (Cost: \$25,000)

Provide a secure location for site electrical equipment and prevent public access to the equipment.

Install Permanent Gates to Access the Astroworld Berm Storage Areas (Cost: \$15,000)

Presently using temporary fence that does not properly represent Reliant Park. Need to purchase and install permanent gates to access these areas.

Irrigation Improvements - 610 Feeder from Fannin (Cost: \$18,445)

Installation of irrigation from Fannin to Astroworld Bridge.

Irrigation Improvements - Reliant Parkway at Fannin (Cost: \$34,415)

Installation of irrigation from Gate 2 to 610 Feeder Road.

Irrigation Improvements - 610 Feeder (Cost: \$18,105)

Installation of Irrigation from Kirby to Astroworld Bridge.

Irrigation Improvements - 610 Feeder to Westridge (Cost: \$14,055)

Installation of irrigation from Gate 8 to Gate 9.

Irrigation Improvements - East Side of Kirby (Cost: \$33,900)

Installation of irrigation from Gate 11 to Westridge for area between curb and sidewalk.

Irrigation Improvements - New Kirby Drive and Fannin Street Irrigation (Cost: \$80,000)

This work is required to improve the irrigation and ground keeping outside Reliant Parks' perimeter fence lines on Kirby Drive and Fannin Street.

Irrigation Improvements - Site Irrigation Control (Cost: \$96,000)

Add campus wide electronic irrigation monitoring system to better control irrigation frequencies and reduce water usage.

Irrigation Improvements - West Side of Kirby (Cost: \$23,000)

Installation of irrigation from McNee to Westridge for area between curb and sidewalk.

Meter Loop Replacement (Cost: \$20,000)

Seven gates, (3) lanes to be repaired to improve ingress/egress of vehicle traffic and verify "cashier ticket count-to-vehicle count" in order to prevent loss due to theft.

Site

NAS Storage Cost (Cost: \$5,000)

Redundant server needed to backup security cameras in case main server fails.

Parking and Site Landscape Improvements (Cost: \$160,431)

Installation of concrete pads due to pedestrian paths needed.

Portable Toll Booths (Cost: \$90,000)

Purchase six portable tolls booths to be used at various entrances, depending on event needs. Toll booths will protect cashiers from elements and provide secure cash handling areas.

Purple Parking Lot Reseal & Restripe (Cost: \$26,500)

Seal coating and crack repair of 275,000 sq. ft of asphalt to extend the life span of the asphalt surface and avoid more expensive resurfacing. Typical maintenance schedule for this type of work is every five years.

Red Parking Lot Reseal & Restripe (Cost: \$66,500)

Seal coating and crack repair of 696,000 sq. ft of asphalt to extend the life span of the asphalt surface and avoid more expensive resurfacing. Typical maintenance schedule for this type of work is every five years.

Repair Marquee Lighting at Entry Gates (Cost: \$20,000)

Lighting at Holly Hall, Naomi, Westridge entrances needs to be replaced.

Replace Main Street Pond Lighting (Cost: \$30,000)

Support structure for pond lights is corroded and can no longer support the fixtures. Work would include replacement of all fixture and fabrication and installation of new support structure.

Replacement Trash Can Lids for Stadium Trash Cans (round, stainless steel cans) (Cost: \$37,500)

The majority of the 500 lids currently on property are damaged and need replacing.

Site Event Electric Improvements (Cost: \$200,000)

Allowance for various site event electric improvements to provide permanent power in locations currently using temporary sources requiring extensive labor and/or costs to install.

Site

Site Graphics-Phase I (Cost: \$750,000)

Replacing existing signage inside Reliant Park's perimeter with an improved and more extensive guidance program will improve safety for employees and Park visitors. Also, new signage will significantly improve Park visitors experience for all events.

Site Graphics-Phase II (Cost: \$750,000)

Replacing existing signage inside Reliant Park's perimeter with an improved and more extensive guidance program will improve safety for employees and Park visitors. Also, new signage will significantly improve Park visitors experience for all events.

Southeast Landscape Bed Fill and Sod (Cost: \$33,265)

Raise existing landscape bed to meet the existing sidewalk level and add sod to prevent erosion and improve Park visitor safety by removing the tripping hazard.

Teal Parking Lot Reseal & Restripe (Cost: \$12,500)

Teal Lot located across Kirby needs to be resealed and restriped due to use and wear/tear.

Towing Capable Golf Carts (Cost: \$28,000)

As an alternate to purchasing trailers, purchase a golf cart with towing capabilities of one rack of equipment for transporting equipment (tables, chairs or handrail racks) throughout property.

Tractors (Cost: \$60,000)

Purchase two new tractors to be used throughout exterior of facility to pull axle trailers and chair/table carts.

Update Property Security Camera Systems (Cost: \$3,500,000)

Transition site security cameras from analog to digital system (256 cameras in total plus updating system hardware and software). Analog system is out of date and needs to be replaced with IP based system that is not the industry standard.

Upgrade Visitor, Guest and Contract Access System to a Universal System that can be Shared Throughout Reliant Park (Cost: \$15,000)

Application of the system can be daily by all of Reliant Park and would greatly assist with access control during the Houston Texans, HLS&R and other major events taking place at Reliant Park.

Yellow Lot Repairs (Cost: \$8,000)

Grassy areas in Lots 37 and 34 are filled with sand and need repairs.

Site

Yellow Parking Lot Reseal & Restripe (Cost: \$116,000)

Seal coating and crack repair of 958,200 sq. ft. of asphalt to extend the life span of the asphalt surface and avoid more expensive resurfacing. Typical maintenance schedule for this type of work is every five years.

Warehouse

Total: \$100,000

Change Out Lighting (Cost: \$40,000)

Change out lighting to brighter/whiter lighting to improve visibility and a safer working environment.

Paint Storage Containers (Cost: \$5,000)

Required to meet code as identified by the Fire Marshal. Containers required for flammable material only.

Ventilation & Air Conditioning in the Warehouse (Cost: \$55,000)

Add proper ventilation or air conditioning for the warehouse. With the expected use, there will be people working there and we need to create a safe environment.

Food Services

Total: \$825,082

Angle Edged Utility Racks 207 Series (Cost: \$3,600)

Required for food preparation for expanded menus in the corner stands.

Arena Stand Build-Outs (Cost: \$60,000)

Finish out the details of the stand build-outs not completed last summer for Cocktails and Margaritas on the two sides of the Arena. Improvements will increase patron satisfaction and avoid reducing equipment life span by constantly moving between buildings.

B&B Plates 7 inch-4000 (Cost: \$15,200)

Needed for small plate presentations on new banquet menu.

Banquet & Catering Equipment (Cost: \$50,000)

Replacement equipment to enhance current aging supply (chaffing dishes, coffee urns, folding tables) and keep presentation up to date.

Beverage Security Cage Covers (Cost: \$4,800)

Covers needed for Beverage Security Cage Carts.

Beverage Security Cages (Cost: \$11,400)

Beverage Security Cages to store and transport alcoholic beverages.

Chaffing Dishes (Cost: \$33,000)

Chaffing dishes needed to replenish/replace aging equipment for proper food distribution and presentation.

China, Glass Silverware (Cost: \$60,000)

New silverware needed for events.

Coffee Cup-2000 (Cost: \$24,120)

Required for OTC lunch/coffee service.

Golf Carts-Toro (Cost: \$15,430)

Better service of outdoor events for banquets.

Graphics and Menu Board Enhancements (Cost: \$240,000)

Currently using an antiquated banner system - permanent and engaging signage is needed to improve service.

Food Services

Green Fork Salad Concessions Concept- Reliant Center (Cost: \$130,000)

Remodel Concessions Stand in Hall D to create Green Fork Salad concept. Open up side of stand to allow access to the stand from the concourse. Modify back of house prep area that is shared with existing Starbucks location to accommodate new concept's prep and storage needs.

Hot Boxes - Carter Hoffman for Center (Cost: \$72,000)

Needed for small plate presentations on new banquet menu.

Hot Boxes-Stadium (Cost: \$38,000)

Cres Cor hot boxes to store hot food at portables to increase servicing clients during events.

Portable Cash Carts (Cost: \$38,400)

Use to place new POS at portable locations in Reliant Center.

Salad plates-9 inch-2000 (Cost: \$11,760)

Needed for small plate presentations on new banquet menu.

Saucer-2000 (Cost: \$3,010)

Needed for OTC lunch/coffee service.

White Wine Glasses-4000 (Cost: \$14,362)

Required to service additional bar locations at Nutcracker Market.

Total: \$2,978,907

19 Foot Scissor Lift (Cost: \$8,000)

Purchase one 19 ft. Scissor Lift for the Stadium to avoid fork-lifting a scissor lift from one venue to another, as well as save on rental costs.

32 Foot Scissor Lift (Cost: \$24,000)

Purchase three 32 ft. scissor lifts, each for the Center, Arena and Stadium to avoid fork-lifting a scissor lift from one venue to another, as well as save on rental costs.

4'x6' Forklift Man Baskets (Cost: \$18,000)

Purchase three one man baskets for each building to be used in conjunction with forklifts for difficult to reach spaces.

Barracuda Web/Spam Filter Replacement (Cost: \$20,000)

Network IP connections have exceeded the existing filters capabilities.

Camera Head for Jetting System (Cost: \$7,000)

Camera fitting for the current jetting system to film the lines and show problem areas and breaks.

Concert Barricade (4' Blowthrough) w/Corner Turns (Cost: \$5,000)

Purchase ten additional barricades so there is no longer a need to rent for larger shows. The additional corner pieces will allow the barricade to "turn" with stage thrusts.

Digital Signage Controller for Reliant Center Kiosks (Cost: \$25,000)

Existing computers are 3 years old and run 24/7 - due for replacement.

Elevated Seating for Law Enforcement (Cost: \$10,800)

Elevated monitoring seats for Law Enforcement - Exterior Traffic Control. These will allow for better visualization of parking areas.

Flexcam Thermal Imager (Cost: \$13,000)

Equipment to measure temperature on bearings, motors and electrical distribution equipment.

HCSCC Document Management System (Cost: \$35,000)

Project to convert paper documents/files to digital image, web based indexing and secure storage.

FF&E

Infrared Camera (Cost: \$13,000)

Infrared Camera used to perform preventive maintenance inspections on bearing, motor and electrical equipment.

Inventory Control System For Warehouse (Cost: \$3,500)

Inventory control module for Smart maintenance for the warehouse.

Line Locator (Cost: \$4,000)

Utility line locating monitor needed to efficiently and safely identify lines in and around site.

Mechanic Tools (Cost: \$20,000)

Tools for mechanics shop and golf cart life to safely work on golf carts.

Network Printer (Cost: \$3,000)

Replace network printer in Sales.

Network Switches (Cost: \$55,000)

Existing switches are at end of life, running in reduced capacity due to software issues.

Notebook (Mac's) 15" (w/sleeves & 3yr Apple care) (Cost: \$37,087)

Mac notebooks for multiple departments, existing machines are failing and obsolete.

Outdoor Seating & Tables (Cost: \$50,000)

Outdoor seating and tables are needed for various events, which will reduce our equipment lease expense for outdoor events.

Parking Vault Cabinets (Cost: \$2,500)

Storage of rolled ticketing stock for Cash Parking Operations.

Parking Vault Safe Cabinet (Cost: \$2,300)

A new safe is needed for the Parking Vault.

Parking Vault Tables & Chairs (Cost: \$6,500)

Equipment needed in Parking Vault to efficiently reconcile event funds.

Pick and Place Fork Lift - Walkie Stacker (Cost: \$15,000)

Warehouse designated forklift for use in warehouse and Reliant Center east storage only.

FF&E

Portable Fencing (Cost: \$15,000)

Purchase sixty units of 6' x 8' fencing to reduce rental costs. To be used in lieu of bicycle racks for more secure storage areas.

Portable Jetting Machines (Cost: \$10,000)

New jetting machines for use during events to unblock drains and sanitary lines when required.

Portable Sign Trailers (Cost: \$18,000)

Purchase three double axle trailers to move parking signage throughout site.

Power Quality Analyzer (Cost: \$27,200)

Electrical monitors to monitor and analyze show power and other electrical issues.

Purchase 60 ft. Z Boom Lift with non-marking tires (Cost: \$60,000)

This is needed for various repairs located in high areas throughout the complex.

Purchase 95 ft. boom lift to have on-site for electrical work (Cost: \$210,000)

Many high areas located in the facilities require a long boom lift to reach for repairs and maintenance. This purchase would eliminate the lease of this equipment from a limited supply of commercial sources. Due to limited suppliers many times this lift is not available when it is needed.

Purchase additional forklifts (Cost: \$490,000)

Purchase ten 12,000 pound forklifts which will be utilized throughout the complex, replacing some older lifts and adding to the number of lifts available for required work. Needed to eliminate rental expenses during field moves.

Purchase ANSI 3500 Projector (Cost: \$5,000)

ANSI Projector needed campus wide for event use. Currently not in inventory.

Purchase Dedicated Computers for Parking Command (Cost: \$25,000)

Currently borrowing computers for the parking command post from Kiosks in Center.

FF&E

Purchase Yale Model MPB040-E Battery Operated Pallet Jacks (Cost: \$7,800)

Two additional pallet jacks are needed to transport Center equipment throughout facility.

Rectangular Tables and Carts (Cost: \$49,220)

Purchase (140) 8'x 30", (25) 6' x 30", (50) 8'x 18", and (15) 6' x 18" tables. This represents replacement of 25% of current inventory for FF&E purchased during facility opening. This equipment is used throughout the complex for meetings, dinners and other tenant and customer events.

Redundant Firewall (Cost: \$15,000)

Redundant firewall needed as a secondary fail-over.

Replace BAS Servers, Workstations and Network Switch (Cost: \$55,000)

Existing servers and workstations are at end of life.

Replace Exchange Email Server (Cost: \$25,000)

Existing Exchange Server with new hardware/software (existing is 4 years old).

Replace FileMaker Server with Rack Mountable MacPro (Cost: \$7,000)

Existing FileMaker server is 2 years old - will not fill in server rack.

Replacement Golf Carts (Cost: \$105,000)

Cart inventory needs to be replaced due to wear and tear.

Replacement Phone Switch (Cost: \$850,000)

Required only if current phone system fails.

Round Tables & Table Carts (Cost: \$43,000)

Tables and Carts needed for event production.

Security System Software Upgrades (Cost: \$50,000)

System software upgrades to existing system are needed to properly log and monitor door alarms.

Smart Maintenance Self Hosting (Cost: \$17,500)

To upgrade the maintenance program to the Web based version and host the service at Reliant Park.

FF&E

Stacking Chairs & Chair Carts (Cost: \$160,000)

Inventory of chairs and carts that need to be replaced/replenished for Event Production.

Traffic Cone Trailers (Cost: \$22,000)

Purchase two cone trailers to move parking cones. Trailers will improve operational efficiencies by eliminating constant loading/unloading of vehicles and ultimately reduce labor cost.

Trailer Mounted Jetting Machine (Cost: \$19,000)

To jet out drains throughout the facility. For primary use inside the buildings where a truck cannot access.

Trunk Radio System Upgrades (Cost: \$98,000)

Emergency All Call, Additional Channels and Electronic Radio ID's needed property wide.

Turbo Digital Repeaters (start of migration to digital radios & System re-programming) (Cost: \$39,000)

Per FCC Regulation all private radio users must go narrow band before the year 2013. The move towards digital will also allow Reliant Park to get a better handle on radio usage and groups used during peak hours.

Turbo Radios (Cost: \$150,000)

Digital radios that allow for both for analog and digital. In addition, radios will allow for GPS, Lost/Stolen Security features and text communication.

UPS Replacement (MIS) (Cost: \$25,000)

UPS devices needed for Server Rack.

Wheelchairs for Guest Services (Cost: \$3,500)

Additional wheelchairs needed for guest assistance.

Reliant Park Utility Management Update

Reliant Park's Energy Management Team includes representatives from Reliant Energy, SMG, the Houston Texans, the Houston Livestock Show & Rodeo, ARAMARK and HCSCC. The Energy Management Team meets regularly to monitor utility (electricity, water and natural gas) usage/cost and identify effective energy conservation opportunities for Reliant Park.

The Energy Management Team implemented numerous energy saving initiatives, including but not limited to the following:

- Installation of motion controlled light switches in offices, mechanical rooms, storage areas and other areas that automatically turn off lights when the room is unoccupied.
- Installation of fixtures and compact fluorescent lamps in-lieu of incandescent lamps wherever possible to reduce energy and labor costs.
- Investigating the possibility of retrofitting Exhibit Hall lighting to more efficient lighting.
- Participated in Lights Out Houston.
- Investigating renewable energy opportunities.

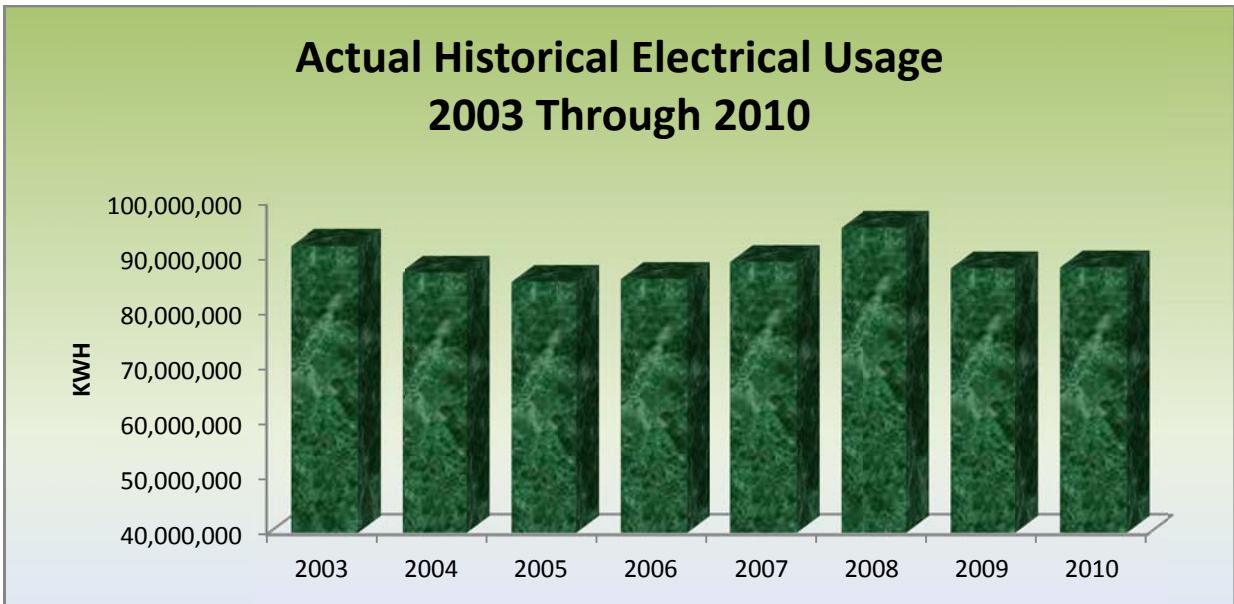
SMG has developed and implemented an energy conservation program for all Reliant Park operations. Reliant Energy is assisting as well, and has provided a detailed analysis of current Reliant Park electricity rates as well as market trends and has made recommendations to HCSCC to adjust accordingly.

For the twelve months ending with the December 2010 billing period, metered electrical usage increased 0.21% with a total of 88,473,677 kilowatt hours (kwhs) consumed compared to 88,292,609 kwhs in 2009, metered natural gas usage increased 9.10% with a total of 106,290 million cubic feet (mcf) consumed

compared to 97,422 mcf in 2009 and metered water usage decreased 2.13% with a total of 169,079,000 consumed compared to 172,764,000 gallons in 2009.

The overall utility expense for the calendar year ending in December 2010 increased 5.42% from the prior year. Actual expenditures for electricity increased 4.84% with a total of \$9,747,390 paid compared to \$9,297,709 paid in 2009. Actual expenditures for gas increased 18.04% with a total of \$664,870 paid compared to \$563,255 paid in 2009 and actual expenditures for water increased 4.0% with a total of \$1,230,508 paid compared to \$1,183,176 in 2009.

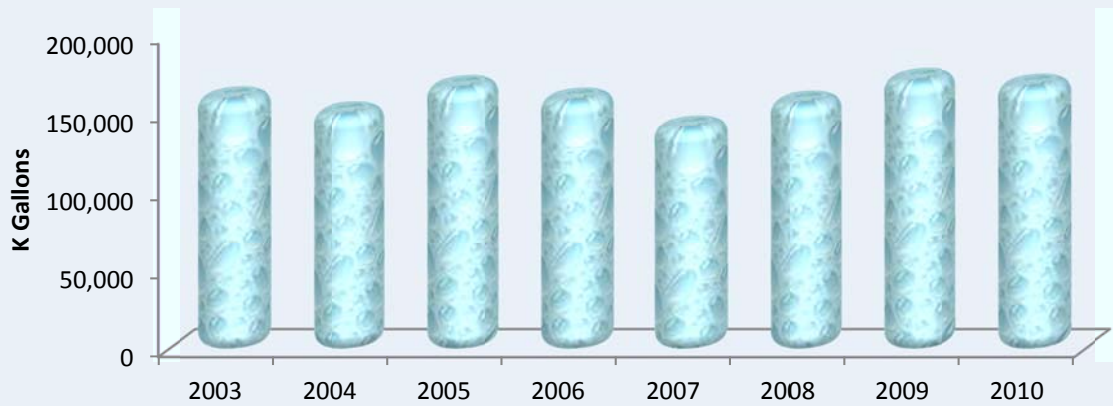
The graphs on the following pages provide a summary of the utility usage in all categories (electricity, water and natural gas) from 2003-2010.



<u>Year</u>	<u>KWH Usage</u>
2003	92,313,950
2004	87,493,659
2005	85,826,374
2006	86,358,197
2007	89,452,142
2008	95,581,437
2009	88,292,609
2010	88,473,677

Electricity usage at Reliant Park for 2010 was up from 2009, for an increase of 181,068 kwhs over the prior year.

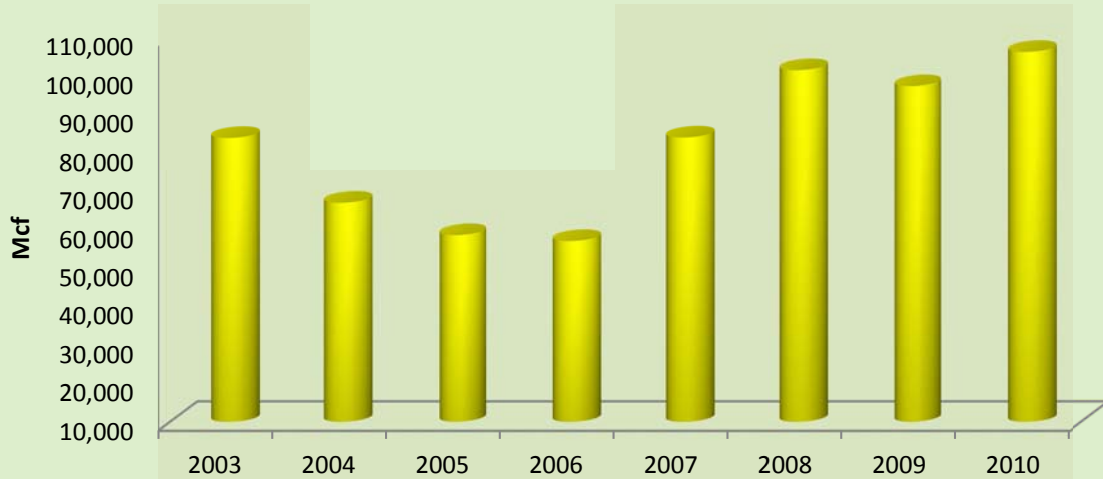
Actual Historical Water Usage 2003 Through 2010



<u>Year</u>	<u>Gallons Usage</u>
2003	161,027,000
2004	151,531,000
2005	168,212,000
2006	160,263,000
2007	142,427,000
2008	158,311,000
2009	172,764,000
2010	169,079,000

The 2010 consumption water usage at Reliant Park decreased 3,685,000 gallons, or 2.13% from 2009.

Actual Historical Natural Gas Usage 2003 Through 2010



<u>Year</u>	<u>Mcf Natural Gas</u>
2003	83,980
2004	67,011
2005	58,613
2006	57,070
2007	84,100
2008	101,551
2009	97,422
2010	106,290

